

**APRIL 2003 AGENDA**

SUBJECT	X	ACTION
	X	INFORMATION
		PUBLIC HEARING
Permanent Regulations Pertaining to Annual Financial Reporting for all K-12 Local Educational Agencies, including Charter Schools, as Required by Assembly Bill 1994 (Chapter 1058, Statutes of 2002)		

Recommendation:

California Department of Education staff recommends that the State Board take action to commence the permanent rulemaking process for regulations necessary to implement sections of Assembly Bill (AB) 1994 (Chapter 1058, Statutes of 2002) related to financial reporting.

Summary of Previous State Board of Education Discussion and Action

N/A

Summary of Key Issue(s)

Current law requires all school districts, county offices of education, and joint powers agencies (JPAs) to submit annual financial data to the state. Assembly Bill 1994 (Chapter 1058, Statutes of 2002), effective January 1, 2003, amends current law to also require charter schools to report financial data to the state. All of these data must be submitted in a format prescribed by the State Superintendent of Public Instruction and with regulations adopted by the State Board of Education.

The purpose of this item is to commence the rulemaking process to adopt regulations related to financial reporting. The proposed regulations will formalize the existing reporting requirement for school districts, county offices of education and joint powers agencies; there are no changes proposed in this area. The regulations will, however, propose new reporting requirements for charter schools, as they were not previously required to submit financial data to the state. The proposed regulations will be effective beginning in fiscal year 2003-04.

Fiscal Analysis (as appropriate)

N/A

Attachment(s)

The Notice of Proposed Rulemaking, Initial Statement of Reason, and proposed permanent regulations will be provided in a Supplemental Item.